

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5793-01
Bill No.: HB 1804
Subject: Kansas City; Tourism; Taxation and Revenue - Sales and Use
Type: Original
Date: February 28, 2012

Bill Summary: This proposal authorizes certain cities with a convention and tourism tax to collect the tax from certain exempt transient guests and patrons of food establishments upon voter approval.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Local Government	Unknown	Unknown	Unknown

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Revenue** assume the current proposal would not fiscally impact their agency.

Officials from the **City of Kansas City** assume this legislation would allow the collection of hotel, motel and restaurant taxes from conventions sponsored by currently exempt entities. Although the City cannot estimate the number of conventions that may be impacted by this change each year, there will be a positive increase in revenues through closing this exemption.

Officials from the **Office of the Secretary of State** did not respond to Oversight's request for fiscal impact.

Oversight assumes this will have a positive fiscal impact on the local government.

<u>FISCAL IMPACT - State Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
---	---------------------	---------	---------

LOCAL POLITICAL SUBDIVISIONS

Income - Increase in tax revenue by disallowing the exemption on certain establishments.

<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
----------------	----------------	----------------

ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS

<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
----------------	----------------	----------------

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

The proposal authorizes certain cities with a convention and tourism tax to collect the tax from certain exempt transient guests and patrons of food establishments upon voter approval.

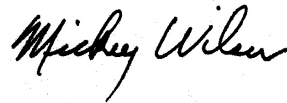
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Revenue
City of Kansas City

NOT RESPONDING

Office of the Secretary of State

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
February 28, 2012